



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-549-838]

Glycine from Thailand: Preliminary Negative Countervailing Duty Determination, Preliminary Negative Critical Circumstances Determination, and Alignment of Final Determination with Final Antidumping Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are not being provided to producers and exporters of glycine from Thailand. The period of investigation is January 1, 2017, through December 31, 2017. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: George Ayache, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-2623.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on April 25, 2018.¹ On June 7, 2018, in accordance with section 703(c)(1)(A) of

¹ See *Glycine from India, the People's Republic of China, and Thailand: Initiation of Countervailing Duty Investigations*, 83 FR 18002 (April 25, 2018) (*Initiation Notice*).

the Act, Commerce postponed the preliminary determination of this investigation to August 27, 2018.² For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Investigation

The product covered by this investigation is glycine from Thailand. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,⁴ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁵ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*.

² *See Glycine from India, the People's Republic of China, and Thailand: Postponement of Preliminary Determinations of Countervailing Duty Investigations*, 83 FR 26415 (June 7, 2018).

³ *See* Memorandum, "Preliminary Negative Determination of the Countervailing Duty Investigation of Glycine from Thailand," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Antidumping Duties; Countervailing Duties, Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁵ *See Initiation Notice*.

For a summary of the product coverage comments and rebuttal responses submitted to the record for this preliminary determination and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.⁶ Commerce is not preliminarily modifying the scope language as it appeared in the *Initiation Notice*. *See* scope in Appendix I.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs at issue in this investigation, Commerce examined whether there is a subsidy, *i.e.*, a financial contribution by an “authority” that gives rise to a benefit to the recipient, and whether the subsidy is specific.⁷

Preliminary Negative Determination of Critical Circumstances

In accordance with section 703(e)(1) of the Act, we preliminary determine that critical circumstances do not exist with respect to imports of glycine from Thailand. For a full description of the methodology and results of Commerce’s analysis, *see* the Preliminary Decision Memorandum.

Alignment

In accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), Commerce is aligning the final countervailing duty (CVD) determination in this investigation with the final determination in the companion antidumping duty (AD) investigation of glycine from Thailand based on a request made by GEO Specialty Chemicals, Inc. and Chattem Chemicals, Inc. (the

⁶ *See* Memorandum, “Glycine from India, Japan, the People’s Republic of China and Thailand: Scope Comments Decision Memorandum for the Preliminary Determinations,” dated concurrently with this notice (Preliminary Scope Decision Memorandum).

⁷ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

petitioners).⁸ Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than January 7, 2019, unless postponed.

Preliminary Determination

We preliminarily determine that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate
Newtrend Food Ingredient (Thailand) Co., Ltd.	0.00 percent

Consistent with section 703(d) of the Act, Commerce has not calculated an estimated weighted-average subsidy rate for all other producers/exporters because it has not made an affirmative preliminary determination.

Suspension of Liquidation

Because Commerce preliminarily determines that no countervailable subsidies are being provided to the production or exportation of subject merchandise, Commerce will not direct U.S. Customs and Border Protection to suspend liquidation of any such entries.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of the public announcement of, or, where there is no public announcement, within five days of the date of publication of, the notice of preliminary determination in the *Federal Register*, in accordance with 19 CFR 351.224(b).

⁸ See Petitioners' letter, "Glycine from Thailand: Request to Align the Countervailing Duty Investigation Final Determination with the Antidumping Duty Investigation Final Determination," dated June 29, 2018.

However, because Commerce's negative preliminary determination is based on non-use and/or the finding that certain programs are not countervailable, there are no calculations to disclose with regard to the individually examined company in this investigation.⁹

Verification

As provided in section 782(i)(1) of the Act, we intend to verify the information relied upon in making its final determination.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than seven days after the date on which the last verification report is issued in this investigation. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.¹⁰ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce within 30 days after the date of publication of this notice. Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington,

⁹ See Preliminary Decision Memorandum.

¹⁰ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

DC 20230, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

International Trade Commission Notification

In accordance with section 703(f) of the Act, we will notify the International Trade Commission (ITC) of its determination. If the final determination is affirmative, the ITC will make its final injury determination 75 days after the final determination.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: August 27, 2018.

Gary Taverman,
*Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.*

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is glycine at any purity level or grade. This includes glycine of all purity levels, which covers all forms of crude or technical glycine including but not limited to sodium glycinate, glycine slurry and any other forms of amino acetic acid or glycine. Subject merchandise also includes glycine and precursors of dried crystalline glycine that are processed in a third country, including, but not limited to, refining or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the in-scope glycine or precursors of dried crystalline glycine. Glycine has the Chemical Abstracts Service (CAS) registry number of 56-40-6. Glycine and glycine slurry are classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 2922.49.4300. Sodium glycinate is classified in the HTSUS under 2922.49.8000. While the HTSUS subheadings and CAS registry number are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Injury Test
- IV. Preliminary Negative Determination of Critical Circumstances
- V. Subsidies Valuation
- VI. Analysis of Programs
- VII. Conclusion

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